



State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE EDWIN VARGAS
SIXTH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
ROOM 4046
CAPITOL: (860) 240-8585
TOLL FREE: (800) 842-8267
FAX: (860) 240-0206
E-MAIL: Edwin.Vargas@cga.ct.gov

DEPUTY SPEAKER

MEMBER
EXECUTIVE & LEGISLATIVE NOMINATIONS COMMITTEE
LABOR & PUBLIC EMPLOYEES COMMITTEE
AGING COMMITTEE

February 28, 2022

Good morning, Co-Chairs Representative Jason Doucette and Senator Patricia Billie Miller,

I am here to testify in support of S.B. 180, An Act Establishing the Interest Rate for Certain Municipal Tax Liens. I want to thank you for bringing this bill forward on the agenda for the public hearing. This bill will establish a fixed interest rate for municipal tax liens on properties at twelve percent per year, creating a more affordable interest rate for property owners. The current monthly property tax at eighteen percent compounded monthly is unjustifiably inflated. With the prevalent interest rate, if one falls behind in paying, it becomes difficult to catch up on the payments thereafter. Months and months of accumulating interest rate will lead to a financial burden for residents, making it hard to catch up. I find it a detriment to overwhelm property owners with an interest rate of eighteen percent compounded monthly. Amending this statute to twelve percent per year will provide for substantial relief to homeowners in case they ever fall behind. This change to twelve percent per year can ameliorate the situation for individuals who are facing difficult financial circumstances.

In addition to this noteworthy change in interest rates, due process is needed in issuing tax liens. It is imperative that residents are given at least thirty to sixty days' notice when liens are to be sold on their property. There needs to be a notice letting residents know that a lien is about to be placed and sold so that they are given a chance to address this issue and resolve it before the sale of such lien going into effect. The fairness of this notion is an integral part of owning

property. This bill allows people the opportunity to resolve matters before they affect their financially wellbeing.

This bill aims to relieve the current interest rate for property owners so that they are readily able to pay the twelve percent, as well as to be informed of any liens that are about to be placed on their property.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Ed. Vargas", with a stylized flourish at the end.

Edwin Vargas
Deputy Speaker